

**SOUTHWEST HARBOR WATER & SEWER DISTRICT  
MONTHLY MEETING OF THE BOARD OF TRUSTEES**

**Approved Minutes**

Fire Station Meeting Room

Thursday, June 14, 2018

**Item 1            Convene meeting**

Meeting was convened at 6:00 pm. In attendance were Board members Jim Geary, Ralph Dunbar, Lee Worcester Jim Vekasi, and Don Lagrange, and District Manager Steven Kenney.

**Item 2            Address the Public concerning the 10% increase in sewer rates**

Four visitors were present: system user Melissa Berry, Select Board members Lydia Goetze and Kristin Hutchins, and Mount Desert Islander editor Liz Graves. Melissa Berry stated that she believes that an across-the-board increase is unfair to low volume residential users like herself as they cannot deduct this expense like a business can and base rates not fixed to actual usage discourage conservation. A discussion of the fixed costs, the purpose of the base fee, and current efforts to ensure that all system users are charged in accordance with the rate schedule followed. Jim Geary stated that, although we needed to continue with the current rate increase as planned, we would look at our fixed costs and consider the base fees in the future.

**Item 3            Approval of minutes from previous meeting**

This item was tabled until the next meeting as printed copies of the previous meeting minutes were not made available.

**Item 4            Financial**

- A) Review of current reports.
  - 1. Thank you Michelle for modifying the P&L statements as requested to show current income and expenses as of the end of last month and as a percentage of annual budget.
  - 2. Why did sewer income drop about \$19K from last month's report? (Answer from Steven via e-mail after meeting, "the bulk of the difference between the April "Residential Sewer Revenue" and the May report is a \$18k adjustment to sewer charges for Harbor Ridge Condos for the leak we discussed last night.")
  - 3. Sludge hauling and disposal costs are going up with summer loading. The new Tech will, as part of his duties, help with decanting and thickening sludge to reduce volume.
  - 4. Chemical cost increases from previous years are, to a large extent, due to increased attention to pH control to meet our discharge permit. In particular, infiltration from large rain storms and acid rain require pH adjustment.
  - 5. Water power costs are up due to actions during a January cold spell when the raw water pump was run continuously to avoid freeze up. This problem will be addressed with the planned new pump and controls.
  - 6. Despite turning off one aeration basin this winter, sewer power costs were up.
  
- B) Auditor from Jim Wadman's office will be present at our July meeting to discuss the 2017 audit.

**Item 5            Approval of Warrants**

**Don Lagrange moved** to approve Water and Sewer Warrant #26 and May payroll reports. Seconded by Lee Worcester. Vote 5/0/0.

**Item 6 Old Business**

- A) Administrative Consent Agreement update. Jim Geary spoke with attorney Mary Costigan and learned that she has had some discussion with her DEP counterpart and requested more direction from DEP on allowable mitigations. Jim did not discuss a proposed letter with her.
- B) Employee Updates. One new employee has been hired for the Tech position and is scheduled to start July 16, 2018.

**Item 7 New Business**

- A) See attached District Manager report.
- B) Lydia Goetze enquired about possible sewage event effects on elevated bacteria levels in Fernald Cove in May, 2017 leading to a five year seasonal clamming closure. Steven replied that he had looked into this previously and there were no permit violations or unusual events during that period.
- C) A status report from water pump station design firm Tata & Howard described progress to date including permission from the Drinking Water Program to pre-purchase long lead-time items and concurrence with our Environmental Review that was submitted to USDA last year. Construction is anticipated in Fall, 2018 with a duration of about three months. The SRF construction loan will convert to a bond at the end of construction with the first payments due one year after construction.
- D) This was Don Lagrange's last meeting as he is resigning from the Town Manager position as of June 30, 2018. The new Town Manager has been hired and will join the WSD Board. The Board thanked Don for both his vision and leadership in setting up the District and his valuable help getting the District up and running. We will miss his involvement and his in-depth knowledge of the resource and the process.

**Item 8 Date of next meeting**

Wednesday, July 25, 2018 at 6:00.

**Item 9 Adjourn meeting**

**Don Lagrange moved** to adjourn at 7:12 pm. Seconded by Ralph Dunbar. Vote 5/0/0

Submitted,



Attached:  
District Manager's Report

Approved July 25, 2018



Jim Vekasi  
Clerk

Attachment

SOUTHWEST HARBOR WATER & SEWER DISTRICT  
District Managers Report  
June Monthly Meeting 2018

**Grant Updates,**

Grant #2, Actuator Valve Replacement; We have one of the two filter trains up and running on the new valves and actuators with no problems. Due to the delay in getting the actuators on line because of the electricians failed health, I have postponed shutting down the second train of filters until after the summer demand has subsided.

Grant #3a, The Wastewater Environmental Engineering report was finely approved by USDA. Now we can start the process of deciding on WWTP upgrades.

Grant #5, Emergency Response Plan; The table top emergency response exercise will take place June 26.

Town Road Projects, I have been working with Olver associates to assure repairs, new services and water and sewer main rehabs are included in their various projects. Were there may be “additional funds” for infrastructure under the SRF grants, I asked that water and sewer be brought onto Wood Rd. where several new sewer customers would like to tie in and 4 new water customers.

**Employees;**

Workers Compensation; I have made progress on my recovery and have not missed any days from the accident. I am hoping for a full recovery within a few weeks.

I have hired a new employee for wastewater. He will start on July 16. He has a background in Coastal Zone Management and though does not have a direct water / wastewater background, he is versed in analytical procedure and water quality issues. I had to start him at \$17.50 an hour.

We still need to fill the open position Snap’s retirement created, be it his, or Josh’s as he moves into the WTP operator position.

Michelle is on vacation this week, June 11 – June 15. This will leave us short handed so I will keep the office open when possible.

I will be on medical / vacation leave from July 11 – July 20, (8 work days).

I have placed ads with the MDI high school looking for summer in both clerical and outside labor. Whereas this is Don’s last meeting, I would like to thank him for his foresight, drive, dedication, persistence and assistance in creating the District and helping us manage it in the past couple of years.

**Financials;**

As you are aware, the Audit is. Once the Audit is complete, our new CPA reviewer, Nick, from Horton, McFarland and Veysey has the reports and is reviewing them as soon as he returns from vacation.

I had Michelle run a “test” billing for the 2nd quarter in preparation of our meeting, with out any manual reads, and knowing additional usage will be added on to this tally, we are still ahead of our billing this time last year by about \$12k in sewer. Our current “test” billing amount is \$132,774.00 for sewer, and this time last year it was \$114,711.00. This quarters figure should only increase when the actual billing takes place on July 1. Water was at \$123,226.00 and includes the \$50k hydrant fee to the Town.

I signed an agreement with a credit card management company that will allow our customers to use credit cards now and only be charged the routine 2 – 3% vs the 5 – 6% CUSI was going to charge.

Termination letters where sent out at the beginning of June. All accounts are either paid up, on payment plans or we are dealing with renter / owner issues following PUC regulations.

**Wastewater:**

Sludge hauling has jumped dramatically starting in late May. Influent solids in the Aerators rose from 1,900 to 3,400 mg/l. The organic loading doubled in the influent. We do not like to see no more than 2,000 mg/l in Aerators in the summer. The loads that are being hauled off are being decanted as best as possible. Though the loads contain more solids than a couple years ago, this process will net better results once the new employee starts.

I had to revisit the ACO this week due to insistence by DEP to answer how the District responded, bullet point for bullet point, to a report Olver Engineers did for the Town in December 2015 which highlighted current plant operations and safety deficiencies. All items were addressed back in 2016. The report was sent to Mary Costigan last Monday.

Lift Stations;

**Water:**

Almost all summer meters have been installed. We are now concentrating on meter reading transmitter installations and troubleshooting accounts and meters. We are up to 79% accounts reporting in on auto reads. This is up from the traditional 70%. We have captured 4 more customers not previously billed or billed correctly.

The Dysart Marine water main project is complete and on.

Thank you